

Choosing the right residency programme

 [livemint.com/money/personal-finance/choosing-the-right-residency-programme-11676220947951.html](https://www.livemint.com/money/personal-finance/choosing-the-right-residency-programme-11676220947951.html)

February 12, 2023



Premium

These programmes, which involve investments that help secure permanent residency or passports in another country, provide investors the optionality to live anywhere in the world

2 min read . Updated: 12 Feb 2023, 10:43 PM IST **Shilpa Menon**

These programs provide investors the optionality to live anywhere in the world

Read Full Story.

Residency and citizenship by investment (RCBI) programmes have become very popular with international investors. These programmes, which involve investments that help secure permanent residency or passports in another country, provide investors the optionality to live anywhere in the world. The investments are made with the objective of fulfilling the family's lifestyle goals such as better education and career prospects for children, access to better healthcare, personal security, asset protection and global mobility.

There are a large number of government-backed immigrant investor programmes in the world. The investment amounts, eligibility criteria and the regulations for each programme vary, as do the benefits. For example, the US has the EB-5 investor visa programme, which requires applicants to invest \$800,000 in a US project that creates 10 jobs in the economy there, in exchange for green cards for the investors, their spouses and kids under the age of 21. The green cards, in turn, offer you the right to freely live, study and work in the US, with zero dependence on any employer to sponsor your visa.

There are countries like Portugal, for example, where you can directly invest in real estate or in private equity funds. The investment leads to a golden visa card that provides you the right to live in Portugal as well as travel access to the entire Schengen area.

Whatever the type of programme selected, these are fairly involved, life-changing decisions. It is extremely important to evaluate the programme thoroughly and ask some tough questions.

Alignment with your life goals

Check if it lets you live, work, study, access public healthcare and business opportunities in the country/region of your choice. Do the timelines of the programme fit well with your milestones? Will it cover other family members? If it's global travel that you are after, how many countries will you be able to travel visa-free with the new passport?

Investment benefits

Does the investment constitute a large portion of your portfolio, making it a riskier decision? Are you willing to let go of the opportunity cost of locking this investment in for the prescribed number of years? Will your capital remain safe? What are the legal and government fees? Are there any extra agent/ advisory fees? Is there scope for annual rental yields / investment returns? Are there any government donations that add to the costs?

Eligibility criteria

For example, some programmes require that the dependent children on an application remain students as well as unmarried for the entire process of 5-7 years. Is that something you are willing to commit to if your children are already in their twenties? Are there visiting/staying requirements that you won't be able to fulfill?

Track record

Check how long the programme has been in existence and if it is a well-regulated, credible programme. Do you know people who have applied for the programme and been successful? Is there regulatory uncertainty?

Socioeconomic and geopolitical conditions

Check whether it is a safe, economically strong nation that offers growth opportunities. If you or your family want to start living or setting up a business there someday, would that be relatively easy to do? Would you like the cultural aspects?

Implications on income or assets

How should you manage your assets, going forward? Are your assets going to come under a new set of regulations that requires urgent rebalancing or even disposal? This varies from country to country and needs specialized tax advisory.

As always, taking a holistic approach involving your family and trusted advisors will yield the best results.

Shilpa Menon is senior director, India, LCR Capital Partners